

INSURANCE AND BONDING

Homeowners are advised to request and verify the following types of insurance coverage held by your contractor to protect you and your home:

- **General Liability:** Pays for bodily injury and property damage incurred by third party for which the contractor is negligent.
- **Cargo and Riggers Insurance:** A policy that is available to contractors who engage in structural moving (elevation) of your house. Coverage begins with the contractor's first act to prepare for the move/lift, or 90 days from approval, whichever comes first. *This means you have property coverage while the elevation contractor is "on the job" but not after the elevation is complete.* It is also designed to cover a contractor's liability arising out of the moving or lifting of property and equipment belonging to others, such as a crane or with unified jacking systems. Effective October 1, 2014, all home elevation contractors who perform elevation services in the State of New Jersey are required to register with the New Jersey Division of Consumer Affairs and obtain the proper license to perform home elevation work.
- **Builders Risk Insurance:** A property form policy that covers a building under construction or renovation and would be used when a homeowner's policy will not cover during repairs or renovations.
- **Workers' Compensation:** A New Jersey State insurance program that provides money for workers injured on the job and for the dependents of workers killed on the job.
- **Automobile Liability:** Pays for bodily injury and property damage incurred from an automobile owned or operated by the contractor and his/her employees on your property.
- **Performance and Payment Bonds:** You may want to consider having your contractor carry a Performance and Payment Bond. This will ensure that your contractor will perform the work agreed to, pay their subcontractor(s), and pay for all the materials supplied for the work performed. If not, the bonding company will finish the work remaining and make restitution to the subcontractor(s) or material suppliers for materials supplied to your project.